

Cathay loses thorn from its side, it hopes

He might have retired, but the union leader who took on an airline is not going quietly

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Feb 08, 2009

Everything appeared perfectly routine when, a fortnight ago today, a Cathay Pacific (SEHK: [0293](#)) Boeing 747 touched down at Hong Kong International Airport after a flight from Bangkok. As its passengers and crew filed out across the air bridge, however, the airline's management could be forgiven for exhaling a long sigh of relief. Behind the cockpit door, flight CX751 had been no ordinary arrival. The man in the left-hand seat was former Aircrew Officers' Association (AOA) president Nigel Demery - arguably the biggest individual thorn in Cathay Pacific's side for the past decade - and the smooth landing on January 25 was his last after 20 turbulent years with the airline.

Mr Demery led the pilots' union through its stormy dispute over pay and rosters that led to the wholesale sacking of a group of pilots later to be known as the 49ers. And when the AOA decided three years ago to halt financial support for the sacked pilots and their court actions against Cathay, he left it and helped form a breakaway union to carry on the fight.

The battle he refused to abandon will reach its conclusion after eight years in Hong Kong's High Court next month, when an unfair dismissal action on behalf of the 18 remaining 49ers - who refused a settlement of either pay-offs or new job interviews - will be heard. But the bitter schisms and factions that the 2001 dispute created within the airline's pilot community and the union movement in Hong Kong are likely to continue to reverberate for years to come.

For some, Mr Demery is a divisive figure who led the union into a disastrous confrontation with management it could never hope to win, and is at least partly to blame for the subsequent decline in AOA membership and union muscle.

For others, he is a man of principle who was ready to risk his own career to stand by unfairly sacked colleagues.

The one thing no one would have expected the Briton - a former Royal Air Force pilot - to do is step into retirement quietly, and five days after that final flight, on the day of his official retirement, Mr Demery fulfilled those expectations by going to the Labour Tribunal to begin an action against Cathay Pacific over what he calls his "forced retirement".

"I got back from leave at Christmas and found a letter saying, 'Here are the arrangements for your retirement'," Mr Demery said. "I wrote back and said I wasn't intending to retire. I was expecting to stay on as a freighter pilot because that is the company policy." He turned 55, Cathay's retirement age, two weeks ago.

Every other pilot in recent months who has applied for an extension of service has been allowed to stay on as a freighter pilot, Mr Demery said. Some are being retrained to switch aircraft, an indulgence not necessary for Mr Demery, as a 747-400 captain. "I'm not really

surprised at all," Mr Demery said. "I'm not moaning or whining. When you stand up and put your head above the parapet, the odd arrow whistles past your ear.

"I have filed a complaint with the Labour Tribunal and part of it is for union discrimination. They are not extending me, but they are extending a person with the same birthday as me and someone who retired a few days earlier, so it is clearly because of my union activities."

Cathay Pacific denies the allegation and says Mr Demery was not offered an extension because he applied to switch to a position as a freighter captain a year ago, then changed his mind shortly before he was due to take it up.

"Under a long-standing and well-established policy ... an officer who declines the awarded vacancy within three months of its effective date will not be eligible to bid for another freighter vacancy for 12 months," an airline spokesman said. "Captain Demery was ineligible to bid for another freighter vacancy until mid-March 2009, by which time he will have retired."

The spokesman insisted: "This has nothing to do with whether or not Captain Demery is a union member or is related to any union activity in which he may have participated. It is a matter of company policy and relates solely to the question of whether he is eligible to bid for such a position."

Mr Demery argues that the airline is using a technicality to force him into retirement and says the tactic is typical of the way Cathay handles its pilots. "Management intimidates the pilots," he said. "But I think intimidation is actually a state of mind. You can only be intimidated if you are fearful. So I won't be intimidated by them, having seen what they've done to other people."

It was the sacking of the 49ers in 2001 that defined Mr Demery's relationship with the airline. While still a serving pilot, he took what appeared to be the highly provocative step of helping to set up an alternative pilots' union - the Cathay Pilots' Union - to continue the fight for compensation and reinstatement of the sacked fliers. He has never before publicly acknowledged his role in the unofficial union, although his role was widely known within the piloting community - and in Cathay's boardroom.

Mr Demery denies that setting up the union was provocative, saying: "We were provoked, and we set up the union as a defensive measure. It was clear to me that the AOA that I had led was about to abandon the 49ers, and that's just not what I do. I don't abandon work colleagues. So it was a very logical step to take."

It was a step that nevertheless exposed divisions and led to a split between the powerful Flight Attendants' Union (FAU) and the AOA in 2005, with FAU leader Becky Kwan Siu-wa memorably accused of calling members of the official pilots' union "selfish and balls-less" and aligning her union with the CPU instead.

Pilots today are still paying the price for the decision to end support for the 49ers, Mr Demery argues. "Any union or organisation is only as effective as its leaders, and the AOA had a period of weak leadership who thought appeasement was the intelligent choice. But I think experience has shown that it wasn't.

"I think they have learned, sadly, by experience that it didn't work, and they are now having

the same sort of problems that we had eight years ago," he said. "Cathay is no longer a career airline.

"The biggest threat to the Cathay pilots' career now is that they have direct-entry captains. Also, they are not paying the second officers bypass pay. And all the time there are lots of other little issues on how you are rostered and flight time limitations. Cathay management are nibbling away at the edges and you have to stand firm as a union and say 'no'."

The Cathay spokesman responded: "It is nonsense to suggest that Cathay Pacific is not a career airline. Some of our most senior crews have been with Cathay Pacific for as long as 30 years, and most wish to stay beyond their normal retirement age. Our conditions of service are very competitive and there is no shortage of overseas pilots applying to join Cathay Pacific."

The airline, he added, provided crews with some of the quickest promotions to senior captain position of any reputable airline. "We do have junior freighter captains, but that is because more senior crew either didn't bid or were ineligible to take those jobs. We also provide careers to the young people of Hong Kong by training them to fly - at the company's expense - and then hiring them to be airline pilots."

It is a debate Mr Demery left behind as he stepped into the passenger section of a plane bound for his retirement home in Bali. He will not return for next month's High Court case and does not expect to do more than offer advice and practical assistance from a distance. Instead, he is devoting his energy to writing a book.

"The theme is industrial relations over the past 15 years at Cathay. It will name names, and the reason I'm writing it is for all the young pilots entering the profession who are facing the same problems."

As he prepared to board his plane last Monday, Mr Demery received an unexpected call from John Findlay, general secretary of the AOA, to tell him he had been voted an honorary member of the union he led and then left. "I accepted, of course," he said. "It was a compliment."

Explaining the award, Mr Findlay said: "Nigel has not seen eye to eye with the association's leadership over the past couple of years, but it cannot be denied that he made a tremendous contribution towards the development of the association over a period of many years. He worked tirelessly as a member, a committee member and, of course, as president."

For Ms Kwan, Mr Demery's retirement means the departure of a brother in arms, whom she believes may be the only person as unpopular as herself in Cathay Pacific's boardroom. "I am sure that management will be very, very relieved to see him go," she said. "I admire Nigel because he did not abandon the 49ers and he made it his goal to carry on fighting for them. He is a man of principle and he has a conscience that other pilots do not have. They do not see that the 49ers were sacrificed because they believed in the AOA at the time and followed the directives. They should never have been abandoned."

Before his retirement, Mr Demery invested in shares for the first time. The stock he chose,

ironically, was that of his former employer. "They may not be good people managers," he said. "But I know from experience that they are very good businessmen."



After 20 years with the airline, union leader Nigel Demery prepares for his final flight as a Cathay pilot.